ORIGINAL

97-492

West Virginia AFL-CIO

501 Broad Street
Charleston • West Virginia • 25301-1289
Phone: (304) 344-3557 • Fax: (304) 344-3550
E-Mail: wvaflcio@aol.com

President Jim Bowen
Secretary-Treasurer Kenneth M. Perdue

Vice-Presidents
Sterling Ball, David Bielski, Bob Brown, Steve Burton, Joe Chapman, Sheila Hamilton, Elaine Harris, Frances Jackson, Larry Linch, Larry Matheny, Bob Phalen, Bruce Tarpley, Gary Tillis

CC 97-211

EX PARTE OR LATE FILED

RECEIVED
SEP 21 1998
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RECEIVED
MAY 28 10 50 AM '98
OFFICE

May 21, 1998

The Honorable William E. Kennard
Chairman
Federal Communications Commission
1919 M Street, N.W.
Room 814
Washington, D.C. 20554

RE: In the Matter of Applications of WorldCom, Inc. and MCI Communications Corporation for Transfer Control of MCI Corporation to WorldCom, Inc.

Dear Chairman Kennard:

The proposed merger of MCI and WorldCom is not good for consumers. The merger—the largest in U.S. history—would reverse two decades of pro-competitive telecommunications policy.

The merger would create a $40 billion monopoly in the telecommunications industry with 63 percent control over the Internet backbone, the part of the Net that connects thousands of service providers, through which consumers access the Net. With its overwhelming control of the Internet, MCI/WorldCom will have the power to set prices, restrict access, and squeeze out many Internet service providers. This will result in higher prices for consumers.

By reducing competition, the MCI/WorldCom merger will lead to higher rates in local and long distance telephone service. It would delay investment in network upgrades to bring advanced information services to all Americans, particularly those in under served communities.

A WorldCom/MCI combination would eliminate one aggressive competitor both to AT&T in long distance and to the Bell companies in local phone service. For consumers, the merger means a retreat from MCI's planned expansion into local

No. of Copies rec'd 0+1
List A B C D E

residential and small business service. Moreover, WorldCom/MCI's plan to focus mainly on business customers will take revenues away from the public switched network, further delaying investments that would bring advanced telecommunications services to ordinary consumers. As a result, the merger will foster a two-tiered information highway—one that promotes access for high valued corporate customers at the expense of individual customers.

The merger will reduce job creation. Cuts in network investment, sales, and other areas will reduce job growth in the telecommunications industry by more than 75,000 jobs over the next four years.

Because MCI, WorldCom and the Internet are not regulated, this merger review is your only opportunity to protect consumers by preserving and advancing competition in all telecommunications markets. We encourage your strong action to stop the anti-competitive, anti-consumer merger between these companies.

Sincerely,

Jim Bowen
President

Kenneth M. Perdue
Secretary-Treasurer

opeiu 457, afl-cio

cc: Joel Klein, Assistant Attorney General, Anti-Trust Division
U.S. Department of Justice

May 21, 1998

West Virginia AFL-CIO

501 Broad Street
Charleston • West Virginia • 25301-1289
Phone: (304) 344-3557 • Fax: (304) 344-3550
E-Mail: wvaflcio@aol.com

CC97-211

RECEIVED

SEP 21 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Resolution Adopted by the West Virginia AFL-CIO

PROPOSED WORLDCOM-MCI MERGER

The Telecommunications Act of 1996 was established to prevent domination of the communication industry by any one company, and thus establish positive competition. This competition then makes workers more valuable to the company, and it helps to raise wages, as well as keep costs down for consumers. The proposed merger between WorldCom and MCI would destroy all of these safeguards for consumers and workers alike.

The merger would result in a single company having a monopolistic hold on the communications industry—it would result in over 60 percent of the backbone of the internet being held by this one company. In fact, if the merger between these two non-union companies goes through, the creation of the new $40 billion monopoly will likely mean the loss of more than 75,000 jobs in the next four years, and outrageously enough, millions of dollars in bonuses for their executives.

THEREFORE, LET IT BE RESOLVED, That in order to protect decent jobs, fair prices, and an affordable means of communication for everyone, the West Virginia AFL-CIO stands firm in its' opposition to the proposed merger of WorldCom and MCI; and

BE IT FURTHER RESOLVED, That all proper and necessary actions will be taken on behalf of the prevention of the proposed merger, by communication with members of state and federal governments, and with all other appropriate government agencies and departments.